Process	***Creating Funds***
Process Number	***GL – 027***

Description of Process

Create a fund. Funds can be created for a variety of reasons, such as the creation of a new appropriation bill, or to meet regulatory requirements, such as a new GAAP fund. Use the Fund ChartField to create the GAAP funds you will use within your PeopleSoft accounting system.

Fund accounting is the basis for public sector accounting. A fund is both a fiscal and accounting entity that consists of a self-balancing set of accounts used to record cash and other financial resources, along with related liabilities and residual equities or balances. Funds isolate financial information for the purpose of carrying on specific activities and attaining certain objectives in compliance with regulations, restrictions or other limitations. GAAP recommends a minimal number of Funds be utilized in the following three categories and types:

1. Governmental Funds - General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.
2. Proprietary Funds - Enterprise Funds, Internal Service Funds
3. Fiduciary Funds - Trust & Agency Funds

Funds are created on the business unit SetID.

Input to Process

Fund Change Request is written up, signed, assigned an identifier and approved. The fund is then entered into PeopleSoft.

Output of Process

New fund is created and is accessible to all business units having access to the SetID under which the fund is created.

Service Level Agreement Required? (if yes, provide a brief description)

N/A

PeopleSoft Panel Groups being Used

Function	Panel Group
Use	Fund

Business Process Description

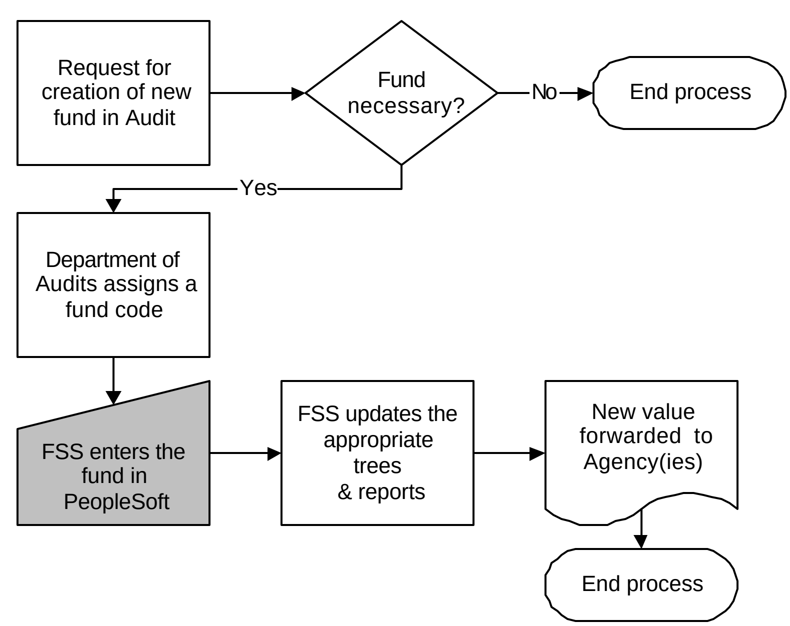
Process Description	Responsibility (Agency/Centralized)
<u>Step 1: Complete request form to create a new fund</u> The Department of Audits will fill out a fund change request form whenever a new fund is required. Once approved, the request will be forwarded to FSS for input. Agencies will be notified upon the creation of a new fund.	Agency
<u>Step 2: Create identifiers for your new fund</u> Enter the SetID and Fund Code for the fund you wish to create. The SetID should be equal to the business unit for the fund you are creating. The PeopleSoft fund code field will be an alphanumeric combination of appropriation (alpha values) and GAAP fund (numeric values).	Centralized
<u>Step 3: Define your fund</u> Enter the Effective Date and Status for your fund. The Effective Date can be set to the current or a future period and determines the date on which the fund will go into effect. The Status refers to the availability of the fund for use in journal processing. The default status is "Active" for a new fund. If the Status is made "Inactive" you will not see that fund when prompting for a list of funds during journal entry. Enter a short description to identify your fund. PeopleSoft uses the short description on panels and online inquiries with limited display space. Enter an additional description to provide further detail on your fund. PeopleSoft uses the description system-wide in prompt lists, reports, other panels, and online inquiries. The shorter description has a length of thirty (30) characters, while the longer description field is equivalent to a memo field, which can support significantly more characters. Enter the Budget Checking Tolerances for this fund. Budget Checking tolerances are processing rules that tell the system whether or not to continue processing amounts that exceed a user-defined threshold on either a percentage or fixed amount basis, whichever is less. If you attempt to enter a journal that exceeds these tolerances you will receive an error message. Tolerances can be set for the following scenarios: • When Encumbrance exceeds Pre-Encumbrance • When Expenditure exceeds Pre-Encumbrance • When Expenditure exceeds Encumbrance The State of Georgia has elected to set these tolerances at one hundred percent (100%).	Centralized

Step 4: Save the fund The fund is now saved and will be accessible to all users with access to the SetID under which the fund was created.	Centralized
Step 5: Add the fund to the appropriate trees Add the fund to the designated tree structure so that it is accessible by the users.	Centralized
Step 6: Notify the requestor that the fund has been added Send notification to the requestor that the fund has been added and is available for use. The following are acceptable forms of notification: • E-mail • Facsimile • Interoffice Memorandum	Centralized

Forms Used with Process (#)

**Attach sample form(s) Fund Change Request.doc

Process Flow Diagram (if appropriate):



Process Signoff

Tested By
Date Tested